

PORT OF BELLINGHAM
Whatcom County, Washington
January 1, 1994 Through December 31, 1994

Schedule Of Federal Findings

1. The Port Should Monitor For Compliance With Davis-Bacon Act

The port contracted with Empire Contracting, Inc., to remove 11 structures from airport property. This property was purchased with funds obtained through a Federal Aviation Administration Improvement Program grant (CFDA 20.106). As part of the program, the port is required to monitor the contractor's compliance with the Davis-Bacon Act. The port failed to obtain and retain any necessary documentation verifying Empire Contracting has complied with the act.

General administrative requirements for all federal assistance programs require, among other things, compliance with the Davis-Bacon Act, 40 State 1994, March 3, 921, Chapter 411, 40 U.S.C. 276A-5. This requirement states in part:

When required by Federal grant program legislation, all laborers and mechanics employed by contractors or subcontractors to work on construction projects financed by federal assistance must be paid wages no less than those established for the locality of the project by the Secretary of Labor.

The port claims they did monitor other construction contracts, but were unaware this type of demolition contract was covered by the Davis-Bacon Act. As a result of the port's failure to monitor the contract for Davis-Bacon Act requirements, the port cannot provide any assurance Empire Contracting was in compliance with these requirements. Failure to ensure compliance with Davis-Bacon requirements could result in the port losing some or all of its federal assistance.

We recommend the port implement procedures to ensure compliance with Davis-Bacon requirements.